

EXHIBIT A

LIT. 02/23/09. 10:28:48. 24255

Legal Software Inc. (800) 530-2255

Approved, SCAO

Original - Court

1st copy - Defendant

2nd copy - Plaintiff

STATE OF MICHIGAN

JUDICIAL DISTRICT

JUDICIAL CIRCUIT

COUNTY PROBATE

6th

RECEIVED FOR FILING
OAKLAND COUNTY CLERK
SUMMONS AND COMPLAINT
2009 FEB 20 PM 3:46

OAKLAND
COUNTY

09-098481-CH



JUDGE RAE LEE CHABOT

BROWN, EDWARD, v. LITTON LOANS

Court telephone no.

248-858-0349

Court Address

1200 N. Telegraph Rd, Pontiac, MI 48133

Plaintiff name(s), address(es) and telephone no(s).

EDWARD BROWN and
NANCY BROWN

DEPUTY COURT CLERK

Defendant name(s), address(es), and telephone no(s).

LITTON LOAN SERVICING LP and
EMC MORTGAGE CORPORATION

Plaintiff attorney, bar no., address, and telephone no.

LANDIS & DAY, PLC

Kassem M. Dakhlallah (P70842)

6528 Schaefer Rd.

Dearborn, MI 48126; (313) 584-1404

SUMMONS**NOTICE TO THE DEFENDANT:** In the name of the people of the State of Michigan, you are notified:

1. You are being sued.
2. **YOU HAVE 21 DAYS** after receiving this summons to file an answer with the court and serve a copy on the other party or to take other lawful action (28 days if you were served by mail or you were served outside this state).
3. If you do not answer or take other action within the time allowed, judgment may be entered against you for the relief demanded in the complaint.

Issued

FEB 20 2009

This summons expires*

MAY 22 2009

Court clerk

RUTH JOHNSON

*This summons is invalid unless served on or before its expiration date.

COMPLAINT*Instruction: The following is information that is required to be in the caption of every complaint and is to be completed by the plaintiff. Actual allegations and the claim for relief must be stated on additional complaint pages and attached to this form.***Family Division Cases**

- ☐ There is no other pending or resolved action within the jurisdiction of the family division of circuit court involving the family or family members of the parties.
- ☐ An action within the jurisdiction of the family division of the circuit court involving the family or family members of the parties has been previously filed in _____ Court.

The action ☐ remains ☐ is no longer pending. The docket number and the judge assigned to the action are:

Docket no.	Judge	Bar no.
------------	-------	---------

General Civil Cases

- ☒ There is no other pending or resolved civil action arising out of the same transaction or occurrence as alleged in the complaint.
- ☐ A civil action between these parties or other parties arising out of the transaction or occurrence alleged in the complaint has been previously filed in _____ Court.

The action ☐ remains ☐ is no longer pending. The docket number and the judge assigned to the action are:

Docket no.	Judge	Bar no.
------------	-------	---------

VENUE

Plaintiff(s) residence (include city, township, or village)

Oakland County, Michigan

Defendant(s) residence (include city, township, or village)

Oakland County, Michigan

Place where action arose or business conducted

Oakland County, Michigan

January 31, 2009

Date

Signature of attorney/plaintiff: Kassem M. Dakhlallah (P70842)

If you require special accommodations to use the court because of a disability or if you require a foreign language interpreter to help you to fully participate in court proceedings, please contact the court immediately to make arrangements.

MC 01 (6/03) SUMMONS AND COMPLAINT

MCR 2.102(B)(11), MCR 2.104, MCR 2.105, MCR 2.107, MCR 2.113(C)(2)(a),(b), MCR 3.206(A)

111 02/23/09 10:20:48 24227

OAKLAND
COUNTY

09-098481-CH



JUDGE RAE LEE CHABOT
BROWN, EDWARD, v LITTON LOAN S

STATE OF MICHIGAN
IN THE OAKLAND COUNTY CIRCUIT COURT

EDWARD BROWN
And NANCY BROWN,

Plaintiffs,

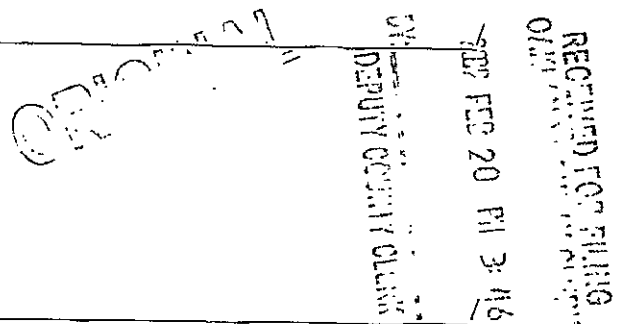
v.

Case No. 09- -CH
Hon.

LITTON LOAN SERVICING LP
And EMC MORTGAGE CORPORATION,

Defendants.

LANDIS & DAY, PLC
Edward L. Ewald, Jr. (P43751)
Kassem M. Dakhilallah (P70842)
Attorneys for Plaintiffs
6528 Schaefer Rd.
Dearborn, MI 48126
(313) 584-1404



There is no other pending or resolved civil action
arising out of the same transaction or occurrence
alleged in this Complaint.


Kassem M. Dakhilallah (P70842)

COMPLAINT AND JURY DEMAND

NOW COME the Plaintiffs, EDWARD BROWN and NANCY BROWN
("Plaintiffs"), by and through their attorneys, LANDIS & DAY, PLC, and for their
Complaint against the Defendants, LITTON LOAN SERVICING LP And EMC
MORTGAGE CORPORATION, state as follows:

PARTIES, JURISDICTION AND VENUE

1. Plaintiffs are husband and wife who reside in the City of Waterford, Oakland County, Michigan.
2. Defendant Litton Loan Servicing LP is a Delaware Limited Partnership that does business throughout metropolitan Detroit, including, but not limited to, the Waterford, Oakland County, Michigan and that operates as a “mortgage servicer,” “mortgage broker” and/or “mortgage lender” in Michigan as these terms are defined in MCL §§ 445.1651a(o), 445.1651a(l) and 445.1651a(m), respectively.
3. This lawsuit arises out of a business relationship involving Plaintiffs and the Defendant, entered into and transacted within the State of Michigan, County of Oakland.
4. This lawsuit also arises out of interests in a parcel of real property located within the State of Michigan, County of Oakland, commonly known as 3675 Brookdale Ln, Waterford, MI 48328 (“the Property”).
5. The amount in controversy exceeds the amount of twenty five thousand (\$25,000.00) dollars exclusive of costs and fees, and so jurisdiction and venue properly in this Honorable Court.

FACTUAL ALLEGATIONS

6. Plaintiffs incorporate all previous allegations by reference as if fully restated herein.
7. Plaintiffs purchased the Property in 1999 for about one hundred thirty thousand (\$130,000.00) dollars.

8. Plaintiffs refinanced their loan on the Property in October 2004, obtaining a senior and junior loan in the amounts of \$150,000.00 and \$40,000.00, respectively.
9. Plaintiffs used the proceeds of the refinance to pay off some debts and to improve the Property.
10. Plaintiffs were not informed of all of the material provisions of their loans prior to closing the loans and having to make monthly payments thereon.
11. Specifically, the Truth in Lending Disclosure provided to Plaintiffs misstates the amounts of monthly payments that Plaintiffs would be obligated to make. (See “**Exhibit A – Truth in Lending Disclosure**”).
12. The TIL Disclosure erroneously states that after the adjustable-rate loan payment adjusted, Plaintiffs would be obligated to make 336 payments of \$1,118.77. (Exhibit A).
13. However, Plaintiffs’ payments have been several hundreds of dollars greater than this amount for all relevant times. (See “**Exhibit B – Monthly Statement**”).
14. Plaintiffs were promised that the financing scheme utilized was meant to be temporary and that Plaintiffs would be able to sell their Property or refinance the loans if paying the monthly loan payments became problematic.
15. Plaintiffs did not have the ability to make the mortgage loan payments at all relevant times without incurring substantial financial hardship. Plaintiffs struggled to make the payments and remained current as long as they possibly could.

16. At all relevant times, Defendant, along with other mortgage lenders, brokers and servicers, systematically inflated the supposed market values of properties throughout the mortgage market in order to lend more money and sell the ill-begotten mortgage loans on the mortgage-backed securities ("MBS") market.
17. As part of their scheme, Defendant made a large but presently-unknown number of loans to borrowers who were absolutely unable to repay the amounts borrowed. This led to artificially high mortgage loan amounts that were disconnected from the true market values of properties being bought and sold.
18. Eventually, when these doomed loans were placed into default in large numbers, the inflated property values throughout Michigan and the United States plummeted to coincide with true property values.
19. The Property owned by the Plaintiffs in this matter suffered from this precipitous decline in statewide and national property values.
20. As a result, Plaintiffs owed significantly more on their mortgage loan than the Property could have been sold for on the open market. In fact, the Property was never actually worth the amount of the loan that Plaintiffs obtained thereon.
21. Plaintiffs tried unsuccessfully to resolve the matter with Defendants, offering to modify the loan terms, but Defendants ignored all such attempts at compromise.
22. Defendants were active participants in the systematic inflation of property values and fraud in the MBS market that ultimately led to Plaintiffs paying a much higher price for the Property than the Property was ever worth.
23. Nonetheless, Plaintiffs paid each of the mortgage loan payments on time and in full in order to keep their credit ratings in tact.

24. However, the mortgage loan that Plaintiffs have diligently paid each month was procured by fraud, misrepresentation and violations of state and federal mortgage consumer protection laws.
25. Eventually, Plaintiffs had no more liquid assets to tap into to make their mortgage payment, and because property values in the market had depreciated back to realistic levels, Plaintiffs could not refinance their loan.
26. Plaintiffs have now missed several mortgage payments, and can no longer afford to make any payments towards their ill-begotten mortgage loan.
27. Defendant Litton has scheduled a foreclosure sale to be conducted on March 3, 2009. (See "**Exhibit C – Notice of Foreclosure Sale**").
28. For all of these reasons, it is clear that the only way for Plaintiffs to begin to vindicate their rights is to file this lawsuit and have the Court enter an Order preventing a foreclosure sale and preventing Defendants from evicting Plaintiffs and ruining Plaintiffs' credit report.

COUNT I
ACCOUNTING

29. Plaintiffs incorporate all previous allegations by reference as if fully restated herein.
30. The amount of money due from Plaintiffs to Defendant or vice versa is unknown to Plaintiffs and cannot be ascertained without an accounting of the receipts and disbursements of the financial transactions between Plaintiffs and Defendant.
31. Plaintiffs are informed and reasonably believe and thereon allege that they do not owe Defendant any money.

111 02/23/09 10:20:48 24232

32. Plaintiffs have demanded an accounting of the aforementioned financial transactions from Defendant and payment of the amount found due but Defendant has failed and refused, and continue to fail and refuse, to render such an accounting and to pay such sum.

WHEREFORE, Plaintiffs respectfully request that this Honorable Court enters a judgment against the above-named Defendant in the amount over twenty five thousand (\$25,000.00) dollars plus interest, costs and attorney fees so wrongfully sustained. Plaintiffs further respectfully request that this Honorable Court issues as injunction, pursuant to MCR 3.310 preventing Defendant from evicting Plaintiffs from the Property and making any negative remarks on Plaintiffs' credit reports until a resolution of this matter on the merits. Plaintiffs further respectfully request that this Honorable Court grant them rescission of the Notes and Mortgages and order Defendant to disgorge all interest payments so wrongfully obtained from Plaintiffs in connection with their improper Notes and Mortgages. Plaintiffs further request that this Honorable Court reforms the Notes and Mortgages between the parties to reflect a fair and equitable bargain without the effect of Defendant's fraud and misrepresentation. Plaintiffs further requests that this Honorable Court orders Defendant to pay all costs and attorney fees so wrongfully incurred in having to bring this lawsuit.

COUNT II
WRONGFUL FORECLOSURE

33. Plaintiffs incorporate all previous allegations by reference as if fully restated herein.

34. MCL § 600.3204(1)(a) provides, in relevant part, that a "party may foreclose a mortgage by advertisement if... [a] default in a condition of the mortgage has

occurred, by which the power to sell became operative... (3) the mortgage containing the power of sale has been properly recorded and, if the party foreclosing is not the original mortgagee, a record chain of title exists evidencing the assignment of the mortgage to the party foreclosing the mortgage.”

35. No such default in a condition of the mortgage has occurred.

36. Further, because of the nature of the MBS market, it is highly unlikely that Defendant has the present ability to provide a record chain of title evidencing ownership of the mortgage.

37. Thus, the Defendant’s power to sell the property has not become operative.

38. Although Plaintiffs have repeatedly requested them to do so, Defendant has not agreed to abandon its efforts to conduct a foreclosure sale.

WHEREFORE, Plaintiffs respectfully request that this Honorable Court enters a judgment against the above-named Defendant in the amount over twenty five thousand (\$25,000.00) dollars plus interest, costs and attorney fees so wrongfully sustained. Plaintiffs further respectfully request that this Honorable Court issues as injunction, pursuant to MCR 3.310 preventing Defendant from evicting Plaintiffs from the Property and making any negative remarks on Plaintiffs’ credit reports until a resolution of this matter on the merits. Plaintiffs further respectfully request that this Honorable Court grant them rescission of the Notes and Mortgages and order Defendant to disgorge all interest payments so wrongfully obtained from Plaintiffs in connection with their improper Notes and Mortgages. Plaintiffs further request that this Honorable Court reforms the Notes and Mortgages between the parties to reflect a fair and equitable bargain without the effect of Defendant’s fraud and misrepresentation. Plaintiffs further

111.02/23/09.10:20:48.24234

requests that this Honorable Court orders Defendant to pay all costs and attorney fees so wrongfully incurred in having to bring this lawsuit.

COUNT III
VIOLATION OF 15 USC § 1639

39. Plaintiffs incorporate all previous allegations by reference as if fully restated herein.

40. Defendants are in violation of 15 USC § 1639(b)(3), which requires Defendants to modify the terms of Plaintiffs' loans as Plaintiffs are experiencing a bona fide financial emergency.

41. Defendants have failed or refused to modify the terms of the loan.

42. As a result, Plaintiffs have suffered damages.

43. In addition, Defendants have violated 15 USC § 1639(h) which provides that:

A creditor shall not engage in a pattern or practice of extending credit to consumers under mortgages referred to in section 1602 (aa) of this title based on the consumers' collateral without regard to the consumers' repayment ability, including the consumers' current and expected income, current obligations, and employment.

44. By extending credit to Plaintiffs without regard to their ability to repay the debt, Defendants have violated 15 USC § 1639(h).

45. As a result, Plaintiffs have suffered damages.

46. Plaintiffs hereby invoke their right to rescind the transactions at issue in this litigation.

WHEREFORE, Plaintiffs respectfully request that this Honorable Court enters a judgment against the above-named Defendants in the amount over twenty five thousand (\$25,000.00) dollars plus interest, costs and attorney fees so wrongfully sustained. Plaintiffs further respectfully request that this Honorable Court issues as injunction,

111.02/23/09.10:20:48.24235

pursuant to MCR 3.310 preventing Defendant from instituting a foreclosure sale of the Property and making any negative remarks on Plaintiffs' credit reports until a resolution of this matter on the merits. Plaintiffs further respectfully request that this Honorable Court grant rescission of the Notes and Mortgages and order Defendants to disgorge all interest payments so wrongfully obtained from Plaintiffs in connection with their improper Notes and Mortgages. Plaintiffs further request that this Honorable Court reforms the Notes and Mortgages between the parties to reflect a fair and equitable bargain without the effect of Defendants' fraud and misrepresentation. Plaintiffs further request that this Honorable Court orders Defendants to pay all costs and attorney fees so wrongfully incurred in having to bring this lawsuit.

COUNT IV
PREDATORY LENDING

47. Plaintiffs incorporate all previous allegations by reference as if fully restated herein.
48. Defendants took advantage of Plaintiffs' inferior bargaining power in order to lock Plaintiffs into severely unfavorable Notes and Mortgages.
49. Defendants did not reveal all material terms of the Notes and Mortgages as they understood them.
50. Specifically, Defendant believed, or was reckless to the truth without knowledge thereof, that the payment amounts were greater than disclosed.
51. In addition, Defendants knew or were reckless to the truth without knowledge thereof, that Plaintiffs could not, under any circumstances, afford to pay the monthly mortgage loan payments on the Property.

52. Defendant induced Plaintiffs into obtaining the loan on the Property and granting it a security interests therein, by promising that Plaintiffs' payments would be lower than they turned out to be and that Plaintiff would be able to sell the Property for at least the amount borrowed, or otherwise refinance the loans, but these statements proved patently untrue.

53. Defendants further induced Plaintiffs into purchasing the Property by creating a mortgage market environment with high and constantly-increasing false property values.

54. As a result of these predatory lending practices, Plaintiffs are suffering and will suffer damages including the loss of the equity he had in the Property, the value of all payments made upon the ill-begotten mortgage loan, all of their liquid assets, damage to their credit rating and enduring the time and expense of an improper foreclosure sale.

WHEREFORE, Plaintiffs respectfully request that this Honorable Court enters a judgment against the above-named Defendant in the amount over twenty five thousand (\$25,000.00) dollars plus interest, costs and attorney fees so wrongfully sustained. Plaintiffs further respectfully request that this Honorable Court issues as injunction, pursuant to MCR 3.310 preventing Defendant from evicting Plaintiffs from the Property and making any negative remarks on Plaintiffs' credit reports until a resolution of this matter on the merits. Plaintiffs further respectfully request that this Honorable Court grant them rescission of the Notes and Mortgages and order Defendant to disgorge all interest payments so wrongfully obtained from Plaintiffs in connection with their improper Notes and Mortgages. Plaintiffs further request that this Honorable Court

LII. 02/23/09. 10:28:48. 24237

reforms the Notes and Mortgages between the parties to reflect a fair and equitable bargain without the effect of Defendant's fraud and misrepresentation. Plaintiffs further requests that this Honorable Court orders Defendant to pay all costs and attorney fees so wrongfully incurred in having to bring this lawsuit.

COUNT V
VIOLATION OF TRUTH IN LENDING ACT, 15 U.S.C § 1601 ET SEQ.

55. Plaintiffs incorporate all previous allegations by reference as if fully restated herein.
56. Defendants provided false interest rate, fee and monthly payment disclosures in connection with the closing of the mortgage loan transaction on the Property, in violation of the Truth in Lending Act.
57. Plaintiff did not discover, and could not discover, Defendant's violations of the Truth in Lending Act because the documents provided to Plaintiff were withheld from Plaintiffs and if they existed at all, were seriously misleading.
58. Thus, Plaintiffs' claims under the Truth in Lending Act are subject to tolling.
59. In addition, Defendant did not provide Plaintiffs with a Notice of Right to Cancel, contrary to the mandates of the Truth in Lending Act.
60. As a result of Defendant's violations of the Truth in Lending Act, Plaintiffs have been damaged.

WHEREFORE, Plaintiffs respectfully request that this Honorable Court enters a judgment against the above-named Defendant in the amount over twenty five thousand (\$25,000.00) dollars plus interest, costs and attorney fees so wrongfully sustained. Plaintiffs further respectfully request that this Honorable Court issues as injunction, pursuant to MCR 3.310 preventing Defendant from evicting Plaintiffs from the Property

LII-02/23/09 10:29:48 24238

and making any negative remarks on Plaintiffs' credit reports until a resolution of this matter on the merits. Plaintiffs further respectfully request that this Honorable Court grant them rescission of the Notes and Mortgages and order Defendant to disgorge all interest payments so wrongfully obtained from Plaintiffs in connection with their improper Notes and Mortgages. Plaintiffs further request that this Honorable Court reforms the Notes and Mortgages between the parties to reflect a fair and equitable bargain without the effect of Defendant's fraud and misrepresentation. Plaintiffs further requests that this Honorable Court orders Defendant to pay all costs and attorney fees so wrongfully incurred in having to bring this lawsuit.

COUNT VI
FRAUDULENT MISREPRESENTATION

61. Plaintiffs incorporate all previous allegations by reference as if fully restated herein.
62. By providing materially false property value and payment disclosures to Plaintiffs, Defendant made material representations to Plaintiffs.
63. Defendant further made false material misrepresentations by representing that property values on the mortgage market were much greater than they actually were.
64. These material representations were false at the time that Defendant made them.
65. Defendant knew, or was reckless to the truth without knowledge, that these statements were false.
66. Defendants further knew, or were reckless to the truth without knowledge that true property values were not reflective of the values of the loans being made by Defendants, and that Plaintiffs could not sell the Property or refinance the loans.

111.02/23/09.18:20:48.24239

67. Defendant made its material and false representations with the intention that Plaintiffs would thereby borrow money from it, grant it a mortgage on the Property, pay associated closing costs and timely make monthly payments.

68. Because of the representations of Defendant, Plaintiffs did borrow money from it, granted it mortgages on the Property, paid associated closing costs and timely made monthly payments.

69. Plaintiffs have suffered damages equal to or greater than the value of mortgage loan, closing costs and payments.

70. Plaintiffs have also suffered damages from the resulting damage to their credit.

WHEREFORE, Plaintiffs respectfully request that this Honorable Court enters a judgment against the above-named Defendant in the amount over twenty five thousand (\$25,000.00) dollars plus interest, costs and attorney fees so wrongfully sustained. Plaintiffs further respectfully request that this Honorable Court issues as injunction, pursuant to MCR 3.310 preventing Defendant from evicting Plaintiffs from the Property and making any negative remarks on Plaintiffs' credit reports until a resolution of this matter on the merits. Plaintiffs further respectfully request that this Honorable Court grant them rescission of the Notes and Mortgages and order Defendant to disgorge all interest payments so wrongfully obtained from Plaintiffs in connection with their improper Notes and Mortgages. Plaintiffs further request that this Honorable Court reforms the Notes and Mortgages between the parties to reflect a fair and equitable bargain without the effect of Defendant's fraud and misrepresentation. Plaintiffs further requests that this Honorable Court orders Defendant to pay all costs and attorney fees so wrongfully incurred in having to bring this lawsuit.

111.02/23/09.10:20:48.24240

COUNT VII
NEGLIGENT MISREPRESENTATION

71. Plaintiffs incorporate all previous allegations by reference as if fully restated herein.

72. Defendant as the mortgagee, stood to benefit from the Plaintiffs entering into the Note and Mortgage on the Property.

73. The resulting business relationship between the parties gave rise to a duty of care on the part of Defendant to Plaintiffs.

74. Defendant prepared the information relating to the values of the Property, payment amounts on the Notes and Mortgages, whether Plaintiffs could refinance or sell the Property and closing costs without reasonable care as to their truth or falsehood.

75. Plaintiffs justifiably relied on said information to their detriment, suffering damages.

WHEREFORE, Plaintiffs respectfully request that this Honorable Court enters a judgment against the above-named Defendant in the amount over twenty five thousand (\$25,000.00) dollars plus interest, costs and attorney fees so wrongfully sustained. Plaintiffs further respectfully request that this Honorable Court issues an injunction, pursuant to MCR 3.310 preventing Defendant from evicting Plaintiffs from the Property and making any negative remarks on Plaintiffs' credit reports until a resolution of this matter on the merits. Plaintiffs further respectfully request that this Honorable Court grant them rescission of the Notes and Mortgages and order Defendant to disgorge all interest payments so wrongfully obtained from Plaintiffs in connection with their improper Notes and Mortgages. Plaintiffs further request that this Honorable Court

L11, 02/23/09, 10:20:48, 24241

reforms the Notes and Mortgages between the parties to reflect a fair and equitable bargain without the effect of Defendant's fraud and misrepresentation. Plaintiffs further requests that this Honorable Court orders Defendant to pay all costs and attorney fees so wrongfully incurred in having to bring this lawsuit.

COUNT VIII
DEFAMATION OF CREDIT/VIOLATION OF FAIR CREDIT REPORTING ACT

76. Plaintiffs incorporate all previous allegations by reference as if fully restated herein.
77. Defendants committed fraud against Plaintiffs in order to induce them into entering into the above-described transactions.
78. Defendants' fraud has ruined Plaintiffs financially.
79. It is because of Defendants' fraud that Plaintiffs cannot make their monthly mortgage loan payments.
80. As a result, it is patently untrue that Plaintiffs defaulted on bona fide financial obligation to Defendants.
81. Upon information and belief, Defendants have made or will make derogatory reports on Plaintiffs' credit reports that are patently untrue.
82. As a result, Plaintiffs have suffered or will suffer damage to their good name, fame and reputation in the community.
83. Plaintiffs also suffered or will suffer damage to their credit rating.

WHEREFORE, Plaintiffs respectfully request that this Honorable Court enters a judgment against the above-named Defendant in the amount over twenty five thousand (\$25,000.00) dollars plus interest, costs and attorney fees so wrongfully sustained. Plaintiffs further respectfully request that this Honorable Court issues as injunction,

LII.02/23/09.10:20:48.24242

pursuant to MCR 3.310 preventing Defendant from evicting Plaintiffs from the Property and making any negative remarks on Plaintiffs' credit reports until a resolution of this matter on the merits. Plaintiffs further respectfully request that this Honorable Court grant them rescission of the Notes and Mortgages and order Defendant to disgorge all interest payments so wrongfully obtained from Plaintiffs in connection with their improper Notes and Mortgages. Plaintiffs further request that this Honorable Court reforms the Notes and Mortgages between the parties to reflect a fair and equitable bargain without the effect of Defendant's fraud and misrepresentation. Plaintiffs further requests that this Honorable Court orders Defendant to pay all costs and attorney fees so wrongfully incurred in having to bring this lawsuit.

COUNT IX
RESCISSION OF NOTES AND MORTGAGES

84. Plaintiffs incorporate all previous allegations by reference as if fully restated herein.

85. *The actions of Defendant, as more fully discussed above, are unconscionable.*

86. In the alternative, the agreements between these parties were entered into by Plaintiffs because of fraud by Defendant.

87. In addition, there was no mutuality of assent to the terms and conditions of the Notes and Mortgages.

88. As such, the agreements between these parties are subject to judicial rescission.

WHEREFORE, Plaintiffs respectfully request that this Honorable Court enters a judgment against the above-named Defendant in the amount over twenty five thousand (\$25,000.00) dollars plus interest, costs and attorney fees so wrongfully sustained. Plaintiffs further respectfully request that this Honorable Court issues as injunction,

L11.02/23/09.10:28:48.24243

pursuant to MCR 3.310 preventing Defendant from evicting Plaintiffs from the Property and making any negative remarks on Plaintiffs' credit reports until a resolution of this matter on the merits. Plaintiffs further respectfully request that this Honorable Court grant them rescission of the Notes and Mortgages and order Defendant to disgorge all interest payments so wrongfully obtained from Plaintiffs in connection with their improper Notes and Mortgages. Plaintiffs further request that this Honorable Court reforms the Notes and Mortgages between the parties to reflect a fair and equitable bargain without the effect of Defendant's fraud and misrepresentation. Plaintiffs further requests that this Honorable Court orders Defendant to pay all costs and attorney fees so wrongfully incurred in having to bring this lawsuit.

COUNT X
REFORMATION OF NOTES AND MORTGAGES

89. Plaintiffs incorporate all previous allegations by reference as if fully restated herein.

90. The actions of Defendant, as more fully discussed above, are unconscionable.

91. In the alternative, the agreements between these parties were entered into by Plaintiffs because of fraud by Defendant.

92. In addition, there was no mutuality of assent to the terms and conditions of the Notes and Mortgages.

93. As such, the agreements between these parties are subject to judicial reformation.

WHEREFORE, Plaintiffs respectfully request that this Honorable Court enters a judgment against the above-named Defendant in the amount over twenty five thousand (\$25,000.00) dollars plus interest, costs and attorney fees so wrongfully sustained.

Plaintiffs further respectfully request that this Honorable Court issues as injunction,

LII.B2/23/09.10:20:48.24244

pursuant to MCR 3.310 preventing Defendant from evicting Plaintiffs from the Property and making any negative remarks on Plaintiffs' credit reports until a resolution of this matter on the merits. Plaintiffs further respectfully request that this Honorable Court grant them rescission of the Notes and Mortgages and order Defendant to disgorge all interest payments so wrongfully obtained from Plaintiffs in connection with their improper Notes and Mortgages. Plaintiffs further request that this Honorable Court reforms the Notes and Mortgages between the parties to reflect a fair and equitable bargain without the effect of Defendant's fraud and misrepresentation. Plaintiffs further requests that this Honorable Court orders Defendant to pay all costs and attorney fees so wrongfully incurred in having to bring this lawsuit.

COUNT XI
VIOLATION OF MORTGAGE BROKERS, LENDERS,
AND SERVICERS LICENSING ACT, MCL § 445.1651, ET SEQ

94. Plaintiffs incorporate all previous allegations by reference as if fully restated herein.

95. MCL § 445.1672 provides:

It is a violation of this act for a licensee or registrant to do any of the following:

- (a) Fail to conduct the business in accordance with law, this act, or a rule promulgated or order issued under this act.
- (b) Engage in fraud, deceit, or material misrepresentation in connection with any transaction governed by this act.

96. By their acts as more fully set forth in the Complaint, Defendant has violated these sections of the Mortgage Brokers, Lenders, and Servicers Licensing Act.

97. As a result of these violations by Defendant, Plaintiffs have been damaged.

WHEREFORE, Plaintiffs respectfully request that this Honorable Court enters a judgment against the above-named Defendant in the amount over twenty five thousand

L11:02/23/09:10:20:48.24245

(\$25,000.00) dollars plus interest, costs and attorney fees so wrongfully sustained. Plaintiffs further respectfully request that this Honorable Court issues an injunction, pursuant to MCR 3.310 preventing Defendant from evicting Plaintiffs from the Property and making any negative remarks on Plaintiffs' credit reports until a resolution of this matter on the merits. Plaintiffs further respectfully request that this Honorable Court grant them rescission of the Notes and Mortgages and order Defendant to disgorge all interest payments so wrongfully obtained from Plaintiffs in connection with their improper Notes and Mortgages. Plaintiffs further request that this Honorable Court reforms the Notes and Mortgages between the parties to reflect a fair and equitable bargain without the effect of Defendant's fraud and misrepresentation. Plaintiffs further requests that this Honorable Court orders Defendant to pay all costs and attorney fees so wrongfully incurred in having to bring this lawsuit.

COUNT XII
USURY/VIOLATION OF USURY ACT – MCL § 438.31 ET SEQ

98. Plaintiffs incorporate all previous allegations by reference as if fully restated herein.

99. Defendant, having locked Plaintiff into a loan for collateral that could not be sold to redeem the value of money borrowed, and which Defendant bore no risk of loss, has committed usury against Plaintiffs.

100. As a result, Plaintiffs have suffered damages.

101. Plaintiffs hereby plead all attorney fees and costs as an element of damages.

LII-02/23/09.10:20:48.24246

WHEREFORE, Plaintiffs respectfully request that this Honorable Court enters a judgment against the above-named Defendant in the amount over twenty five thousand (\$25,000.00) dollars plus interest, costs and attorney fees so wrongfully sustained. Plaintiffs further respectfully request that this Honorable Court issues as injunction, pursuant to MCR 3.310 preventing Defendant from evicting Plaintiffs from the Property and making any negative remarks on Plaintiffs' credit reports until a resolution of this matter on the merits. Plaintiffs further respectfully request that this Honorable Court grant them rescission of the Notes and Mortgages and order Defendant to disgorge all interest payments so wrongfully obtained from Plaintiffs in connection with their improper Notes and Mortgages. Plaintiffs further request that this Honorable Court reforms the Notes and Mortgages between the parties to reflect a fair and equitable bargain without the effect of Defendant's fraud and misrepresentation. Plaintiffs further requests that this Honorable Court orders Defendant to pay all costs and attorney fees so wrongfully incurred in having to bring this lawsuit.

COUNT XIII

TEMPORARY RESTRAINING ORDER/PRELIMINARY INJUNCTION

102. Plaintiffs incorporate all previous allegations by reference as if fully restated herein.
103. Defendant has violated or intends to violate the express provisions of the Note and Mortgage entered into by the parties.
104. Defendant also has violated or intends to violate the requirements of the Truth in Lending Act, Mortgage Brokers, Lenders and Servicers Licensing Act and other federal and state laws.

LIN 02/23/09 16:28:48 24247

105. In addition, as more fully described above, Defendant has refused or has been unable to provide an accurate accounting or any proof of default under the Note or Mortgage, although Plaintiff has requested such proof repeatedly.

106. Unless Defendant is enjoined from engaging in conduct violative of the agreements, and from improperly foreclosing upon the Mortgage and evicting Plaintiffs, Plaintiffs have been and will continue to be irreparably harmed by (among other things): (a) The loss of Plaintiff's ownership interest in the Property; (b) The loss of Plaintiff's equity in the Property; (c) Damage to the marketability of the Property; (d) damage to Plaintiff's reputation in the community; and (e) the loss of all of Plaintiff's liquid assets without recourse.

107. In view of these (and other) considerations, Plaintiff has no adequate remedy at law.

WHEREFORE, Plaintiffs respectfully request that this Court:

A. Enter immediately a Temporary Restraining Order restraining and enjoining Defendant and all persons acting in concert with it (including, but not limited to any officer, employee, agent, attorney or other representatives of Defendant) from directly or indirectly evicting Plaintiffs from the Property at issue and making any negative comments on Plaintiffs' credit report;

B. Continue the Temporary Restraining Order in full force and effect through and including a hearing before this Court on Plaintiffs' request for the entry of a Preliminary Injunction, and set such a hearing at a date convenient for the Court;

LII.02/23/09.18:29:48.24248

C. Following the hearing on the request for a preliminary injunction, convert the Temporary Restraining Order into a Preliminary Injunction, to remain in effect until the merits of the parties' dispute are resolved by a Court of competent jurisdiction;

D. Grant Plaintiffs such other and further relief as the Court deems to be just and equitable under the circumstances.

Respectfully Submitted,

LANDIS & DAY, PLC

A handwritten signature in black ink, appearing to read 'Kassem M. Dakhallan', with a long horizontal flourish extending to the right.

Kassem M. Dakhallan (P70842)
Attorneys for Plaintiffs
6528 Schaefer Rd.
Dearborn, MI 48126
(313) 584-1404

Dated: February 18, 2009

LII.B2/23/09.18:20:48.24249

A

LII, 02/23/09, 10:20:48, 24258

**TRUTH-IN-LENDING DISCLOSURE
(REAL ESTATE)**

LENDER (Creditor)
MICHIGAN FIDELITY ACCEPTANCE CORP
dba FRANKLIN MORTGAGE FUNDING
25800 NORTHWESTERN HWY STE 875
SOUTHFIELD, MI 48075

Words, numbers or phrases preceded by a ☐ are applicable only if the ☒ is marked.☐ Preliminary ☒ FinalBorrower(s) Name(s):
NANCY L. BROWN and EDWARD R. BROWN

Date: 10/25/04

Address: 3675 BROOKDALE LN.
WATERFORD, MI 48328

Loan No.: 9101132316

Property Address:
3675 BROOKDALE LN.
WATERFORD, MI 48328

Loan Type: CONV

ANNUAL PERCENTAGE RATE	FINANCE CHARGE	Amount Financed	Total of Payments
The cost of your credit as a yearly rate.	The dollar amount the credit will cost you.	The amount of credit provided to you or on your behalf.	The amount you will have paid after you have made all payments as scheduled.
8.013 %	\$ 250,228.08	\$ 148,137.36	\$ 398,365.44

	NO. OF PAYMENTS	AMOUNT OF PAYMENTS	WHEN PAYMENTS ARE DUE	
YOUR PAYMENT SCHEDULE WILL BE:	24	935.78	monthly, beginning	12/01/2004
	336	1,118.77	monthly, beginning	12/01/2006

VARIABLE RATE:☒ This transaction is subject to a variable rate feature. Variable Rate disclosures have been provided at an earlier time.**PAYABLE ON DEMAND:**

- ☐ This obligation is payable on demand.
☐ The disclosures are based on an assumed maturity of one year.

SECURITY:

You are giving a security interest in real property and any of the following items which are checked:

- ☒ the goods or property being purchased. ☐ funds or other assets on deposit with the lender from time to time.
☒ other (specify below) ☐ collateral securing other loans with us may also secure this loan.

3675 BROOKDALE LN.

WATERFORD, MI 48328

LATE CHARGE:

If you are more than Fifteen days late in making any payment, you will pay a late charge of: 5.00 % of the overdue payment.

INSURANCE:

You may obtain property insurance from anyone acceptable to the Lender.

FILING/RECORDING FEE:☒ \$ 65.00**PREPAYMENT:**

If you payoff early, you

- ☒ may
☐ may

- ☐ will not
☒ will not

have to pay a penalty.
 be entitled to a refund of part of the finance charge.

ASSUMPTION:

Someone buying your dwelling.

- ☒ cannot assume the remainder of the mortgage on the original terms.
☐ may, subject to conditions, be allowed to assume the remainder of the mortgage on the original terms.

REQUIRED DEPOSIT:☐ A deposit balance is required. The Annual Percentage Rate does not take into account your required deposit.

See your contract documents for any additional information about nonpayment, default, any required repayment in full before the scheduled date, prepayment refunds and penalties and creditor's policy regarding assumption of the obligation.

☐ Please refer to the "Good Faith Estimate" for an Itemization of Amount Financed.

"c" means estimate.

☒ Please refer to the Itemization of Amount Financed Statement.

Date NANCY L. BROWN

Borrower

Date EDWARD R. BROWN

Borrower

Date

Borrower

Date

Borrower

LIT.02/23/09.10:20:40.24251

B

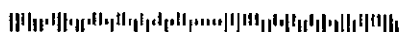
L11.02/23/09.10:28:48.24252

**Litton Loan Servicing®**

SEND PAYMENTS TO:
P.O. Box 4387
Houston, TX 77210-4387
www.littonloan.com



43809-214907-043
NANCY BROWN
EDWARD BROWN
3675 BROOKDALE LN
WATERFORD MI 48328-3517

**BILLING STATEMENT**

STATEMENT DATE 12/15/2008
LOAN NUMBER 0040777005
CONTRACTUAL DUE DATE 09/01/2008

PROPERTY ADDRESS: 3675 Brookdale Lane
Waterford MI 48328

PRINCIPAL AND INTEREST 1,317.52
ESCROW AMOUNT 295.25
ADDITIONAL AMOUNT REQUIRED 0.00
MISCELLANEOUS

TOTAL MONTHLY PAYMENT 1,612.77

LATE CHARGES DUE 0.00
OTHER FEES DUE 460.50

PAYMENT OPTIONS

Pay Online
www.littonloan.com
Go to "Make a Payment"

Pay By Mail
P.O. Box 4387
Houston, TX 77210-4387

Pay By Phone
(800) 999-8501
Press Option 3

Western Union
Code City: Litton
Code State: Texas

LOAN INFORMATION

*PRINCIPAL BALANCE 147,983.92
ESCROW BALANCE -1,884.65
SUSPENSE BALANCE 0.00
CURRENT INTEREST RATE 9.8750

* This is not a payoff balance.

Refer to back of statement for additional information.

This is an attempt to collect your debt and any information obtained will be used for that purpose.

TRANSACTIONS SINCE LAST STATEMENT

TRANSACTION DATE	TRANSACTION DESCRIPTION	TRANSACTION AMOUNT	PRINCIPAL	INTEREST	ESCROW	SUSPENSE / FEE OTHER
------------------	-------------------------	--------------------	-----------	----------	--------	----------------------

We are unable to display any transactions that may have occurred since the last statement date at this time. Please visit our website, www.littonloan.com where 12 months of history can be viewed. If there are questions regarding the history please use our Contact Us page on the website for your convenience.

IMPORTANT MESSAGES

The 2008 IRS Tax and Interest information will be available at www.littonloan.com after January 5, 2009, and will be mailed no later than January 31, 2009.

TEAR HERE

PLEASE RETURN THIS PORTION WITH YOUR PAYMENT AND KEEP TOP PORTION FOR YOUR RECORDS. DO NOT START PAYMENT

117.82/23/89.18:28:48.24253

C

L11.02/23/09.10:20:48.24254

1500

THIS FIRM IS A DEBT COLLECTOR ATTEMPTING TO COLLECT A DEBT. ANY INFORMATION WE OBTAIN WILL BE USED FOR THAT PURPOSE. PLEASE CONTACT OUR OFFICE AT THE NUMBER BELOW IF YOU ARE IN ACTIVE MILITARY DUTY. MORTGAGE SALE - Default has been made in the conditions of a mortgage made by Nancy L. Brown and Edward R. Brown, wife and husband, to Mortgage Electronic Registration Systems, INC., as nominee for lender and lender's successors and/or assigns, Mortgagee, dated October 25, 2004 and recorded December 2, 2004 in Liber 34522, Page 375, Oakland County Records, Michigan. Said mortgage is now held by The Bank of New York Mellon f/k/a The Bank of New York as successor to JPMorgan Chase Bank, N.A., as trustee for the benefit of the Certificateholders of Popular ABS, Inc. Mortgage Pass-Through Certificates Series 2005-1 by assignment. There is claimed to be due at the date hereof the sum of One Hundred Fifty-Two Thousand Four Hundred Sixty and 37/100 Dollars (\$152,460.37) including interest at 10% per annum. Under the power of sale contained in said mortgage and the statute in such case made and provided, notice is hereby given that said mortgage will be foreclosed by a sale of the mortgaged premises, or some part of them, at public vendue at the 1st floor Main entrance to the Court House in Pontiac in Oakland County, Michigan at 10:00 a.m. on ~~MARCH 3, 2009~~ 3/3/09 said premises are located in the Township of Waterford, Oakland County, Michigan, and are described as: Lot 89 of Lincoln Heights Subdivision, according to the recorded plat thereof as recorded in Plat Liber 28, Page 52, Oakland County Records, Township of Waterford. The redemption period shall be 6 months from the date of such sale, unless determined abandoned in accordance with MCLA 600.3291a, in which case the redemption period shall be 30 days from the date of such sale. TO ALL PURCHASERS: The foreclosing mortgagee can rescind the sale. In that event, your damages, if any, are limited solely to the return of the bid amount tendered at sale, plus interest. Dated: February 3, 2009 Orans Associates, P.C. Attorneys for Servicer P.O. Box 5041 Troy, MI 48007-5041 File No. 213.3483 ASAP# 2986152 02/03/2009, 02/10/2009, 02/17/2009, 02/24/2009